

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 7649

BILL NUMBER: HB 1957

DATE PREPARED: Jan 21, 1999

BILL AMENDED:

SUBJECT: Employment certificates.

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FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill has the following provisions:

(A) It raises from 18 years to 19 years, the age after which an employment certificate for a student is no longer necessary. It provides that an employment certificate may be issued to a full-time student less than 19 years of age who has not completed twelfth grade, who has passing grades in core subjects, and attendance in good standing at the school.

(B) It provides that an issuing officer may issue two employment certificates to a student if: (1) the total number of hours per week that the student works does not exceed the maximum allowed by law; and (2) each employment certificate states the maximum number of hours per week the student may work at the location for which the employment certificate is issued.

(C) It provides that a full-time student who is at least 16 years of age may work only 20 hours in a week when school is in session and may work only until 9 p.m. when school is in session.

(D) It provides that if these provisions are in conflict with a cooperative program between a school corporation and an employer of labor for school directed vocational education, the terms of the cooperative program apply.

Effective Date: July 1, 1999.

Explanation of State Expenditures: Provision B: Depending on the number of children who apply for the additional work permits, passage of this bill could increase the printing costs of issuing work permits. It would also increase the costs to the Department of Labor in monitoring compliance of the maximum number of hours that persons under the age of 18 are permitted to work. The Department of Labor issued an estimated 118,873 work permits in FY 1998 and reports having five child labor inspectors for the entire state.

Explanation of State Revenues: Provisions A and C: If the compliance rate with this change in statute is low, passage of this bill could increase the amount of fines that are collected by the Department of Labor. Between FY 1996 and FY 1998, revenue from fines was reported to have changed from \$119,550 to \$80,975

to \$93,285. This revenue is deposited into the Employment of Youth Fund and is used for educating affected parties on the purpose and content of child labor laws.

Explanation of Local Expenditures: Provision B: Depending on the number of children who apply for the additional work permits in a particular school, this provision could increase the amount of time that the issuing officer -- often the school counselor -- spends in issuing work permits.

Explanation of Local Revenues:

State Agencies Affected: Department of Labor.

Local Agencies Affected: School corporations.

Information Sources: Department of Labor.